REMARKS/ARGUMENTS

This paper responds to the Office Action mailed May 23, 2005. Claims 1-31 are pending, and all the claims stand rejected under 35 U.S.C. § 103(a). In response, Applicants respectfully assert that the claims are now patentable over the prior art and that the rejections under 35 U.S.C. §103(a) should be withdrawn. The present amendments are fully supported by the specification. Reconsideration and allowance are requested.

Rejection Under 35 U.S.C. § 103

Claims 1-11, 13, 16-31 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Lash (2001/0020229A1). The reference fails to teach or suggest all of the claim limitations of independent claims 1, 16, 21, and 27 nor is there proper suggestion or motivation to modify the reference as required by MPEP § 2143, and therefore the rejection is unsupported by the art. Accordingly, Applicants respectfully request reconsideration of these claims and that the rejection be withdrawn.

Independent claim 1 claims "[a] method for targeting a high-risk member of a healthcare plan for proactive care[.]" Specifically, claim 1, as currently amended, recites "selecting a member from a plurality of members of a healthcare plan using a filter criterion to identify the member as high-cost" based on "the members' predicted future healthcare utilization" and "subsequent to identifying the member as high-cost, calculating a relative risk for the member." As recited, the step of calculating a relative risk for the selected high-cost member occurs subsequent to identifying a high-cost member. Lash fails to teach or suggest a method of calculating a relative risk subsequent to identifying high-cost members. Furthermore, it is not within the level of ordinary skill in the art to modify the Lash method of determining high cost patients having the same disease or condition to obtain the method described in the Applicants' claim.

Lash discloses a method for predicting the likelihood that a patient diagnosed with a specific disease or condition will become a high user of medical services. In practice, prior to performing any analysis on the member patients in a managed care organization, the method of Lash first filters the patient members into a "homogenous sub-population" by disease or

diagnosed condition, such as asthma patients or diabetic patients. Page 4, paragraph 37, lines 25-34 ("if the population is not otherwise homogeneous, it is filtered, for example on the basis of the disease or diagnosed condition of the patient to filter the population into more homogeneous sub-populations . . ."); see also, page 5, paragraph 46, lines 12-15, paragraph 48, lines 8-10; see also, Fig. 3, element 65, Fig. 3A, element 65A and Fig. 3B, element 65B. This first stage of filtering is explicitly based on disease or condition, not on predicted future healthcare utilization as claimed by the Applicants. Rather, Lash describes subsequently identifying future high users of medical services from the homogenized set of patients characterized by their existing disease or medical condition. *See* page 4, paragraph 38 ("Once a homogeneous population or sub-population of patients is identified, then the regression analysis program operates . . . to predict whether the patient will be a high user of medical service . . .").

a. *No Suggestion or Motivation to Modify Reference*

In response to the Applicants' above argument, the Examiner asserted:

> LASH clearly teaches the identifying or high cost patients associated with particular type(s) of disease(s) and condition(s) from diverse population(s) of patients...In addition, "asthmatic or diabetic patients" population can be considered an entire set of patients diagnosed with the particular type of disease. Furthermore, it is within the level of a [sic] ordinary skill in the art to apply the concept of filtering/identifying high cost patients to all populations or a particular patient population.

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First, Applicants agree that LASH teaches identifying patients "associated with particular type(s) of disease(s) and condition(s) from diverse population(s) of patients." However, it is incorrect that "'asthmatic or diabetic patients' population can be considered an entire set of patients" insofar as the claims recite selecting or filtering from "a plurality of members of a healthcare plan" not from members of a homogenous group with a common disease.

Further, with respect to Examiner's assertion that "it is within the level of a ordinary skill in the art to apply the concept of filtering/identifying high cost patients to all populations," Applicants believe the Examiner's conclusion is based on improper hindsight reasoning. As the Federal Circuit has noted:

> It is impermissible within the framework of section 103 to pick and choose from any one reference only so much of it as will support a given position, to the exclusion of other parts necessary to the full appreciation of what such reference fairly suggests to one of ordinary skill in the art.

In re Hedges, 783 F.2d 1038, 1041, 228 U.S.P.Q. 685, 687 (Fed.Cir.1986). As noted, the method of Lash first filters the patient members into a "homogenous sub-population" by disease or diagnosed condition prior to performing any analysis on the member patients in a managed care organization. Without impermissible highlight, this method of Lash lacks suggestion or motivation to be modified to teach or suggest calculating a relative risk for the selected high-cost member occurs subsequent to identifying a high-cost member. Moreover, as described below, Lash teaches away from achieving the present invention. Accordingly, Applicants respectfully submit that it is not within the level of ordinary skill in the art to modify the Lash method of determining high cost patients to obtain the method recited in the Applicants' claims.

b. *Reference Teaches Away from Being Modified*

Lash teaches a calculation of a score indicative of a patient's predictive future cost of medical services based on a predetermined predictive model. More specifically, Lash teaches the use of a predictive behavioral model created exclusively for homogenous patient populations, that is, a behavioral model for patient populations having similar diseases or diagnosed conditions. See page 4, paragraph 37, lines 25-34. The behavioral model in Lash is a formula consisting of weighted coefficients and variables used to predict the future cost of medical services for a single patient. See page 4, paragraph 38. Depending on the specific disease or diagnosed condition of the homogenous patient population, a predetermined selection of these variables and coefficients, consisting of less than the entire set of variables and coefficients, are used in the model. Page 4, paragraph 38, lines 5-15 ("Those variables or combinations of variables that are above a selected minimum ability to predict whether the patient will be a high user of medical services are selected . . . The result is a model . . . in the form of a probability equation which includes the high relevance variables multiplied by their . . . weighting coefficients[.]"). Therefore, before application of the predictive model, and thus determination of high-cost patients, the patient populations operated on using the method described in Lash must first be filtered by disease or diagnosed condition. Indeed, Lash explicitly teaches away

from applying its behavioral model to any group of patients that is not homogenous. Page 4, paragraph 37, lines 23-32 ("It is very difficult to create accurate models with diverse populations of patients because they have very different motivations that control their behavior . . . Therefore, if the population is not otherwise homogenous, it is filtered, for example on the basis of the disease or diagnosed condition . . .").

Lash, therefore, fails to disclose "[a] selecting a member from a plurality of members of a healthcare plan using a filter criterion to identify the member as high-cost" based on "the members' predicted future healthcare utilization," and "subsequent to identifying the member as high-cost, calculating a relative risk for the member." Accordingly, claim 1 is in condition for allowance, and reconsideration and withdrawal of the rejection are respectfully requested.

Because claims 2-11 and 13 depend directly or indirectly from claim 1 and incorporate all the limitations of claim 1, the above argument obviates the basis for this ground of rejection. Thus, claims 2-11 and 13 are not obvious in light of the method disclosed in Lash. Reconsideration and withdrawal of the rejection is respectfully requested.

Independent claim 16 claims "[a] method for targeting high-risk members from a plurality of members of a healthcare plan for proactive care." Specifically, claim 16, as currently amended, recites "filtering the electronically stored records associated with each of the plurality of members using a filter criterion to identify a set of high-cost members" based on "the members' predicted future healthcare utilization" and "subsequent to identifying the set of high-cost members, calculating a relative risk for each of the high-cost members."

Independent claim 21 claims "[a] method for targeting high-risk members from a plurality of members of a healthcare plan for proactive care." Specifically, claim 21, as currently amended, recites "filtering the electronically stored records associated with each of the plurality of members using a filter criterion to identify a set of high-cost members" based on "the members' predicted future healthcare utilization" and "subsequent to identifying the set of high-cost members, calculating a relative risk for each of the high-cost members."

Independent claim 27 claims "[a] method of targeting high-risk members amenable to proactive care from a plurality of members of a healthcare plan." Specifically, claim 27, as

currently amended, recites "filtering the electronically stored records associated with each of the plurality of members using a filter criterion to identify a set of high-cost members" based on "the members' predicted future healthcare utilization" and "subsequent to identifying the set of high-cost members, calculating a relative risk for each of the high-cost members."

For substantially the same reasons as asserted above for claim 1, independent claims 16, 21, and 27, as currently amended, are not taught or suggested by the Lash, nor is it within the level of ordinary skill in the art to modify the Lash method of determining high cost patients to obtain the method recited in the Applicants' claims. Accordingly, claims 16, 21 and 27 are in condition for allowance, and reconsideration and withdrawal of the rejection of claims 16, 21 and 27 are respectfully requested.

Because claims 17-20, 22-26, 28, 30 and 31 depend directly or indirectly from claims 16, 21, or 27 and incorporate all the limitations of their base claims, the above argument obviates the basis for this ground of rejection. Thus, claims 17-20, 22-26, 28, 30 and 31 are not obvious in light of the cited reference, and reconsideration and withdrawal of the rejection is respectfully requested.

Claim 12 is rejected under 35 U.S.C. § 103(a) as being unpatentable over Lash in further view of Lutgen et al (US 2003/0167189 A1). This rejection is respectfully opposed as claim 12 depends from allowable claim 1.

Claims 14 and 15 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Lash in further view of Lockwood et al (5,845,254). This rejection is respectfully opposed as claims 14 and 15 depend from allowable claim 1.

Conclusion

No additional claim fees should be generated by this paper. However, the Commissioner is hereby authorized to charge any fee deficiency associated with this paper or the request to Deposit Account No. 04-1420.

This application now stands in allowable form and reconsideration and allowance is respectfully requested.

Respectfully submitted,

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